

Triparty Collateral Management Adaptation Plan

BNP Paribas Securities Services

Activity	Triparty Collateral Management
Plan submitted by	BNP Paribas Securities Services - TPA
NSG	France
Date	May 2020

Background

The Adaptation Plan provides information on the changes which will be implemented to meet the AMI-SeCo Standards for Triparty Collateral Management which form part of the Single Collateral Management Rulebook for Europe (SCoRE). Full details of the Triparty Collateral Management Standards can be found on the [ECB website](#).

The document is structured as follows: Section 1 (Cover Letter) provides a high-level summary of the changes in order to implement the AMI-SeCo Standards. Section 2 (Adaptation Plan Table) then provides a more detailed overview per Standard covering a feasibility assessment and the implementation milestones.

1 Cover Letter

BNP Paribas Securities Services is a strong supporter and active contributor of any initiative to harmonise collateral management practices across all markets and is especially committed to implement the first set of Standards endorsed by AMI-SeCo, related to Triparty Collateral Management practices in Europe.

The adaptation plan provides details about BNP Paribas Securities Services' situation for each Standard. For in-scope Standards which are not yet fully implemented, the detailed impact analysis by BNP Paribas Securities Services is in progress and therefore the comments and timeline included in the report are indicative at this stage of the monitoring process.

The implementation of ISO20022 messaging standards is coordinated by a dedicated project governance within BNP Paribas Securities Services. The analysis is in progress for Triparty messages, and the final assessment as well as the definitive timeline for implementation will only be confirmed upon completion of the work of the dedicated working group. As stated in the Standards and in addition to ISO20022 messaging format, BNP Paribas

Securities Services will continue to support the ISO15022 messages after 2022 should any Commercial Bank temporarily wishes to continue to use it.

The Standards 11 and 17 are applicable only for Transactions involving a Eurosystem central bank (ECMS) and therefore, are not in-scope for BNP Paribas Securities Services as Triparty agent. BNP Paribas Securities Services is committed to implement those Standards in case BNP Paribas Securities Services Triparty becomes eligible to participate directly to ECMS or in case there is any demand from Commercial Banks.

BNP Paribas Securities Services is planning a first high level communication to clients about the AMI-SeCo Standards from June 2020, as well as regular updates as BNP Paribas Securities Services progress in the adaptation process. User Testing phase will happen from November 2021, as soon as BNP Paribas Securities Services' users are ready.

© European Central Bank, 2020

Postal address 60640 Frankfurt am Main, Germany

Telephone +49 69 1344 0

Website www.ecb.europa.eu

All rights reserved. Reproduction for educational and non-commercial purposes is permitted provided that the source is acknowledged.

The European Central Bank (ECB) provides the secretariat for the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) and is publishing the report solely in this capacity. The ECB does not however accept any responsibility or liability for the contents of the document and the fact that the ECB provides the secretariat for the AMI-SeCo should not be taken as implying in any way that it shares the views expressed in the document.

For specific terminology please refer to the [ECB glossary](#) (available in English only).

2 Adaptation Plan Table

AMI-SeCo Standard			Feasibility Assessment			Implementation Milestones			
No.	Name of Standard	Standard	Adaptation Required?	Description of Changes Required	Legal Barrier Identified?	User Communication	Internal Adaptation	Start of User Testing	Implemented by Nov. 2022?
STANDARD 1	Implementation of ISO 20022 messages for triparty collateral management	<i>TPAs shall support the usage of ISO 20022 messages for triparty collateral management activities covered by the Standards.</i>				First communication to our clients from June 2020. Regular updates to clients as we progress in the adaptation.	Analysis and design in 2020, development and testing from 2021	User testing from November 2021, as soon as our users are ready	Yes
Additional Information	Message Name	Message Identifier							
	Triparty Collateral Transaction Instruction	colr.019	Adaptation Required						
	Triparty Collateral Status and Processing Advice	colr.020	Adaptation Required						
	Triparty Collateral Allegement Notification	colr.021	Adaptation Required						
	Triparty Collateral Collateral and Exposure Report	colr.022	Adaptation Required						
	Triparty Collateral Unilateral Removal Request	colr.023	Adaptation Required						
	Collateral Management Cancellation Request	colr.005	Adaptation Required						
	Collateral Management Cancellation Status	semt.020	Adaptation Required		New message format to be developed and tested	No			
	Receipt Acknowledgment	admi.007	Adaptation Required						
	Approval of Debit	camt.036	Adaptation Required						
	Eligible Securities Creation Request	reda.025	Adaptation Required						
	Eligible Securities Deletion Request	reda.TBD	Adaptation Required						
	Collateral Value Creation Request	reda.024	Adaptation Required						
	Close Link Creation Request	reda.027	Adaptation Required						
	Close Link Deletion Request	reda.TBD	Adaptation Required						
Collateral Data Status Advice	reda.028	Adaptation Required							

AMI-SeCo Standard			Feasibility Assessment			Implementation Milestones			
No.	Name of Standard	Standard	Adaptation Required?	Description of Changes Required	Legal Barrier Identified?	User Communication	Internal Adaptation	Start of User Testing	Implemented by Nov. 2022?
STANDARD 2	Initiation of a triparty transaction	TPAs shall offer harmonised business processes and workflows for the initiation of a triparty collateral management transaction.	Implemented	N/A	N/A	N/A	N/A	N/A	Yes
STANDARD 3	Increase of a triparty transaction	TPAs shall support harmonised business processes and workflows for the increase of a triparty collateral management transaction.	Implemented	N/A	N/A	N/A	N/A	N/A	Yes
STANDARD 4	Decrease of a triparty transaction	TPAs shall support harmonised business processes and workflows for the decrease of a triparty collateral management transaction.	Adaptation Required	New validation flow to be designed and developed	No	First communication to our clients from June 2020. Regular updates to clients as we progress in the adaptation.	Analysis and design in 2020, development and testing from 2021	User testing from November 2021, as soon as our users are ready	Yes
STANDARD 5	Revaluation of a triparty transaction	TPAs shall support harmonised business processes and workflows when revaluing a triparty collateral management transaction.	Implemented	N/A	N/A	N/A	N/A	N/A	Yes
STANDARD 6	Cancellation of a triparty instruction	TPAs shall support harmonised business processes and workflows for the cancellation of a triparty collateral management instruction.	Adaptation Required	New validation flow to be designed and developed	No	First communication to our clients from June 2020. Regular updates to clients as we progress in the adaptation.	Analysis and design in 2020, development and testing from 2021	User testing from November 2021, as soon as our users are ready	Yes
STANDARD 7	Unilateral removal process	TPAs shall support harmonised business processes and workflows for the unilateral removal of a specific asset in triparty collateral management.	Adaptation Required	New unilateral flow to be designed and developed	No	First communication to our clients from June 2020. Regular updates to clients as we progress in the adaptation.	Analysis and design in 2020, development and testing from 2021	User testing from November 2021, as soon as our users are ready	Yes
STANDARD 8	Reporting on flows	TPAs shall support harmonised business processes and workflows for the reporting on flows in order to provide real time information on securities collateralising triparty collateral transactions.	Implemented	N/A	N/A	N/A	N/A	N/A	Yes
STANDARD 9	Reporting on stocks	TPAs shall support harmonised business processes and workflows for reporting on stocks in triparty collateral management.	Implemented	N/A	N/A	N/A	N/A	N/A	Yes
STANDARD 10	Closure of a triparty transaction	TPAs shall support harmonised business processes and workflows when closing a triparty collateral management	Adaptation Required	New validation flow to be designed and developed	No	First communication to our clients from June 2020. Regular updates	Analysis and design in 2020, development	User testing from November	Yes

